ELEKTA

Q2
2015/16
December 4, 2015

Interim report May – October 2015/16

Second quarter

- Order bookings increased 14 percent to SEK 3,291 M (2,876) or 3 percent based on constant exchange rates.
- Net sales increased 10 percent to SEK 2,828 M (2,567) or decreased 1 percent based on constant exchange rates.
- EBITA amounted to SEK 444 M (397) before non-recurring items of SEK -18 M (0). Operating result was SEK 304 M (310).
- Net income amounted to SEK 189 M (200). Earnings per share was SEK 0.49 (0.52) before dilution and SEK 0.49 (0.52) after dilution.
- Cash flow after continuous investments amounted to SEK 147 M (173).

May – October

- Order bookings increased 12 percent to SEK 5,827 M (5,217) or decreased 1 percent based on constant exchange rates.
- Net sales increased 14 percent to SEK 5,067 M (4,432) or 1 percent based on constant exchange rates.
- EBITA amounted to SEK 485 M (359) before non-recurring items of SEK -48 M (-2). Operating result was SEK 211 M (188).
- Net income amounted to SEK 60 M (63). Earnings per share was SEK 0.15 (0.16) before dilution and SEK 0.15 (0.16) after dilution.
- Cash flow after continuous investments amounted to SEK -417 M (-497).

Group summary

SEK M	Q2 2015/16	Q2 2014/15	May - Oct 2015/16	May - Oct 2014/15	Change
Order bookings	3,291	2,876	5,827	5,217	-1%*
Net sales	2,828	2,567	5,067	4,432	1%*
EBITA before non-recurring items	444	397	485	359	35%
Operating result	304	310	211	188	12%
Net income	189	200	60	63	-5%
Cash flow after continuous investments	147	173	-417	-497	16%
Earnings per share after dilution, SEK	0.49	0.52	0.15	0.16	-6%

** Compared to last fiscal year based on constant exchange rates.*

Outlook

We expect growth in net sales to continue to be modest for the fiscal year, based on constant exchange rates, and that the EBITA margin, adjusted for non-recurring items, will continue to improve.

The outlook is adjusted from the previous: "We expect negative growth in net sales for the first half of 2015/16, while growth is expected to return during the second half of 2015/16."

President and CEO comments

During the first half of our fiscal year, net sales grew 14 percent or 1 percent based on constant exchange rates. Gross margin increased 2.3 percentage points and EBITA improved by SEK 126* M. The improvements are mainly driven by growth in service and aftermarket sales and partly due to that deliveries scheduled for the third quarter now were completed already in the first half year. Order bookings in the second quarter increased 14 percent or 3 percent based on constant exchange rates. Growth was particularly strong in region Europe, Middle East and Africa.

Transformation program on track

The transformation program is proceeding according to plan, including the target to reach an EBITA margin improvement of more than 6 percentage points by the end of fiscal year 2017/18**. The cost reduction of SEK 450 M is on track with savings primarily in administration, supply chain and procurement. At the end of the quarter our workforce has been reduced with 91 employees.

Strong product offering and innovation portfolio

We continue to prioritize strategic R&D investments to improve cancer care, for example our software solutions and image guided radiation therapy. We are also improving our customer service network including training and education.

During the quarter, the new Leksell Gamma Knife Icon system received FDA clearance in the US. Our MRI-guided radiation therapy program, Atlantic, is progressing according to plan. The R&D consortium's second non-commercial system was recently installed at MD Anderson Cancer Center in Houston, US. Installations at the five remaining consortium sites will take place during the 2016 calendar year.

Reducing net working capital

Cash flow after continuous investments improved by SEK 80 M for the first half year to SEK -417 M. Net working capital in relation to last 12 months net sales decreased to 11 percent (16), a level that we are not satisfied with. Programs for improvement have been initiated and will lower net working capital. The target is a reduction with over SEK 200 M by the end of 2016/17.

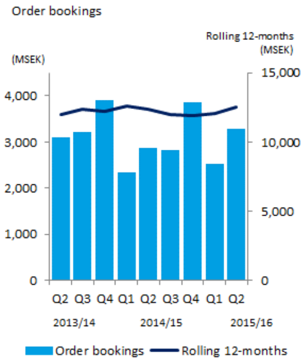
Zero tolerance

As previously communicated, there is an ongoing investigation in Italy where Elekta employees are suspected of interfering with public procurement processes. Elekta is providing all requested information to the Italian authorities. We have zero tolerance for any deviation from our code of conduct and clear corporate policies and procedures in place.

Tomas Puusepp
President and CEO

** Before non-recurring items*
*** Base year 2014/15, excluding currency effects*

Presented amounts refer to the fiscal year 2015/16 and amounts within parentheses indicate comparative values for the equivalent period last fiscal year unless otherwise stated.



Order bookings and order backlog

Order bookings increased 12 percent to SEK 5,827 M (5,217). Based on constant exchange rates the decrease was 1 percent.

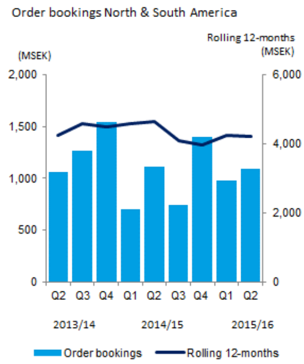
Order bookings

SEK M	Q2 2015/16	Q2 2014/15	Change*	May - Oct 2015/16	May - Oct 2014/15	Change*	12 months 2014/15
North and South America	1,087	1,116	-18%	2,063	1,815	-6%	3,952
Europe, Middle East and Africa	1,244	854	41%	1,966	1,837	3%	4,470
Asia Pacific	960	906	-6%	1,798	1,565	2%	3,485
Group	3,291	2,876	3%	5,827	5,217	-1%	11,907

** Compared to last fiscal year based on constant exchange rates.*

Order backlog was SEK 18,160 M, compared to SEK 17,087 M on April 30, 2015. Order backlog is converted at closing exchange rates. The translation of the backlog at exchange rates on October 31, 2015 compared to exchange rates on April 30, 2015 resulted in a positive translation difference of SEK 311 M. According to the current delivery plan, the order backlog as per 31 October 2015 is expected to be revenue recognized as follows: 25 percent in the remaining six months of the fiscal year 2015/16, 30 percent in 2016/17, 15 percent in 2017/18 and 30 percent in 2018/19 and later.

Regional development



North and South America

The US market is mainly a replacement market, with growth primarily in services and aftermarket. Consolidation of the hospital market continues, which is driving the market toward more comprehensive solutions and large-scale projects. New reimbursement rates have been decided in the US, with a small increased reimbursement for the hospital segment, and a slight decrease for free-standing clinics.

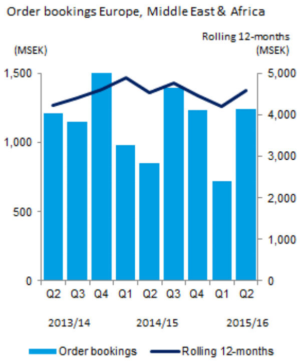
Order bookings increased 14 percent during the first half of the year, or decreased 6 percent based on constant exchange rates. The second quarter of the preceding year included a major order from Avera Health, which explains the challenging comparison. The volatile trend in the US is expected to continue. South America had good performance during the first six months of the year.

Since July 7, the North American organization has been led by Bill Yaeger, former Executive Vice President of Elekta Oncology. In the second quarter, the US organization was further strengthened with a new sales director and a new services director.

During the first half year net sales increased 31 percent or 9 percent based on constant exchange rates. Growth was driven by services, software and aftermarket sales.

Elekta's contribution margin from the region increased to 30 percent (25) during the half year, mainly as a result of higher revenues from services, software and aftermarket sales.

Europe, Middle East and Africa



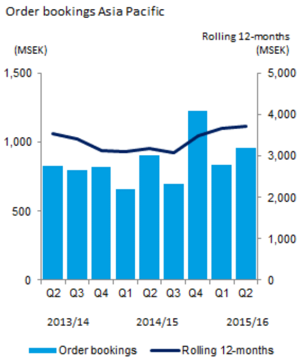
Growth in Western European markets is in line with the overall economy. In general, the emerging markets in the region showed growth. However, markets such as Russia and Iraq have slowed considerably due to political instability and weak economic development.

Elekta's order bookings rose 7 percent or 3 percent based on constant exchange rates in the first half-year. Western Europe showed a positive trend, and significant orders were secured in, for example, France, Austria, Germany and the Netherlands. An order valued at EUR 28 M was signed with Amethyst Radiotherapy, a private developer of cancer clinics in Western and Central Europe. After the end of the period, contracts for Leksell Gamma Knife Icon were signed with the New Karolinska Solna and the Netherlands Cancer Institute-Antoni van Leeuwenhoek Hospital (NKI-AvL).

Net sales increased 5 percent and was flat in constant currencies. Services and aftermarket sales grew.

During the period, Elekta's contribution margin from the region amounted to 26 percent (29). The decline was mainly related to the effect of exchange rate fluctuations on the cost base.

Region Asia Pacific



Markets in Region Asia Pacific reported mixed performance. Growth in China continued and is expected to be good for the full year. Japan was weaker due to lower levels of investments. Southeast Asian markets showed a decline, and were generally impacted by weaker economic growth and exchange rate fluctuations.

Order bookings increased 15 percent or 2 percent based on constant exchange rates during the half year. The trend in China was favorable and demand for Elekta's solutions was good, particularly in the fast-growing private sector. Elekta reported strong performance in Australia, while the trend in Japan and Southeast Asia was weak.

Net sales increased 7 percent or decreased 7 percent based on constant exchange rates. The decline in local currency is related to weak performance in Japan and Southeast Asia.

During the period, Elekta's contribution margin from the region amounted to 24 percent (22). The increase was mainly attributable to higher sales in services.

Net sales and earnings

Net sales increased 14 percent to SEK 5,067 M (4,432), corresponding to 1 percent increase based on constant exchange rates. The growth is mainly driven by services and after sales operations.

Net sales

SEK M	Q2 2015/16	Q2 2014/15	Change*	May - Oct 2015/16	May - Oct 2014/15	Change*	12 months 2014/15
North & South America	1,032	834	6%	1,946	1,482	9%	3,651
Europe, Middle East & Africa	871	888	-5%	1,616	1,545	0%	3,829
Asia Pacific	925	845	-4%	1,505	1,405	-7%	3,359
Group	2,828	2,567	-1%	5,067	4,432	1%	10,839

* *Compared to last fiscal year based on constant exchange rates.*

Gross margin improved 2.3 percentage points to 41 percent (38). The increase is driven by higher sales for services and after sales volumes, as well as a positive impact from currency movements.

Operating expenses, excluding amortizations and based on constant exchange rates, were flat over the previous year. The expenses are expected to decline during the fiscal year.

R&D expenditure, before capitalization of development costs amounted to SEK 714 M (689), equal to 14 percent (16) of net sales. The ratio is expected to continue to decline.

EBITA before non-recurring items increased 35 percent to SEK 485 M (359). The effect from changes in exchange rates was SEK 30 M including hedges. Non-recurring items amounted to SEK -48 M (-2) and is related to the transformation program. EBITA margin, before non-recurring items, improved to 10 percent (8). Operating result was SEK 211 M (188). Operating margin amounted to 4 percent (4).

Net financial items amounted to SEK -134 M (-107). Interest expense was negatively affected by increased borrowing used to repay debt maturities, and foreign exchange effects on USD denominated debt. Lower interest rates also had a negative impact on interest income on investments.

Profit before tax amounted to SEK 77 M (81). Tax amounted to SEK -17 M (-18). Net income amounted to SEK 60 M (63). Earnings per share amounted to SEK 0.15 (0.16) before dilution and SEK 0.15 (0.16) after dilution. Return on shareholders' equity amounted to 9 percent (18) and return on capital employed amounted to 8 percent (15).

Capitalization and amortization of development costs in the R&D function decreased to a net of SEK 168 M (213). Amortization of capitalized development costs increased to SEK 161 M (106) and is expected to further increase during the second half of the fiscal year.

Capitalized development costs

SEK M	Q2 2015/16	Q2 2014/15	May - Oct 2015/16	May - Oct 2014/15	12 months rolling	12 months 2014/15
Capitalization of development costs	161	164	317	308	692	683
of which R&D	161	163	317	307	690	680
Amortization of capitalized development costs	-89	-55	-161	-106	-291	-236
of which R&D	-83	-49	-149	-94	-266	-211
Capitalized development costs, net	72	109	156	202	401	447
of which R&D	78	114	168	213	424	469

Investments and depreciation

Continuous investments decreased to SEK 414 M (455) including investments in intangible assets of SEK 319 M (308) and investments in other assets of 95 M (147). Investments in intangible assets are mainly related to ongoing R&D programs. Amortization of intangible assets and depreciation of tangible fixed assets amounted to a total of SEK 309 M (238). Capitalization of development costs for the full fiscal year is expected to decline in local currency. Investments in other assets are also expected to be reduced.

Cash flow

Cash flow from operating activities improved to SEK -3 M (-42) as a result of SEK 202 M improvement in operating cash flow to SEK 400 M. Cash flow from operating activities / EBITDA before non-recurring items was 117 percent (126 on April 30, 2015) during the 12 months rolling period. Cash flow after continuous investments improved by SEK 80 M to SEK -417 M (-497).

Cash flow (extract)

SEK M	Q2 2015/16	Q2 2014/15	May - Oct 2015/16	May - Oct 2014/15	12 months rolling	12 months 2014/15
Operating cash flow	408	355	400	198	1,501	1,299
Change in working capital	*-62*	*81*	*-403*	*-240*	*361*	*524*
Cash flow from operating activities	346	436	-3	-42	1,862	1,823
Continuous investments	*-199*	*-263*	*-414*	*-455*	*-915*	*-956*
Cashflow after continuous investments	147	173	-417	-497	947	867
*Cash flow from operating activities / EBITDA**	*71%*	*101%*			*117%*	*126%*
*Cash conversion***	*42%*	*54%*			*83%*	*81%*

**EBITDA before non-recurring items*
*** Cash conversion is calculated as cash flow after continuous investments divided by net income adjusted by depreciation and amortization.*

Working capital

Net working capital decreased to SEK 1,242 M (1,752) corresponding to 11 percent (16) of net sales (rolling 12-months). The individual working capital items were significantly impacted by currency movements, however the currency effect on net working capital was relatively small.

During the period net working capital increased with SEK 361 M mainly due to a reduction of accounts payable.

Working capital

SEK M	Oct 31, 2015	Oct 31, 2014	Apr 30, 2015
Working capital assets			
Inventories	1,417	1,314	1,297
Accounts receivable	3,831	3,634	4,207
Accrued income	1,994	2,051	1,895
Other operating receivables	823	731	695
Sum working capital assets	8,065	7,730	8,094
Working capital liabilities			
Accounts payable	1,023	982	1,262
Advances from customers	2,053	1,891	2,165
Prepaid income	1,668	1,313	1,673
Accrued expenses	1,796	1,497	1,789
Other operating liabilities	283	295	324
Sum working capital liabilities	6,823	5,978	7,213
Net working capital	1,242	1,752	881
% of 12 months net sales rolling	11%	16%	8%

The increase in inventories and accounts receivable are due to currency movements. Prepaid income has increased as a result of growth in services as well as currency movements.

The (DSO) has been reduced to 67 (84) days. Region North and South America has a relatively high level of software sales, with a corresponding high level of prepayments, resulting in a negative DSO number. Region Europe, Middle East and Africa has a higher portion of hardware sales, public tender sales with fixed payment terms, and large part of sales in emerging markets, leading to a high DSO number. The DSO number for region Asia Pacific varies within the region due to local differences in payment terms.

The improvement in North and South America in the first half is mainly related to a decrease in accounts receivable and accrued income as well as increased prepaid income. In region Europe, Middle East & Africa a decrease in accounts receivable was the main driver for the lower DSO, while the increase in DSO in Asia reflected an increase in accrued income.

Days Sales Outstanding (DSO)

SEK M	Oct 31, 2015	Oct 31, 2014	Apr 30, 2015
North & South America	-37	-31	-16
Europe, Middle East & Africa	155	175	163
Asia Pacific	103	86	95
Group	67	84	76

* Days Sales Outstanding (DSO) is calculated as (Accounts receivable + Accrued income - Advances from customers - Prepaid income)/(12 months rolling net sales/365).

Financial position

Cash and cash equivalents amounted to SEK 1,586 M (3,265 on April 30, 2015) and interest-bearing liabilities amounted to SEK 5,041 M (6,033 on April 30, 2015). Thus, net debt amounted to SEK 3,455 M (2,768 on April 30, 2015). Net debt/equity ratio was 0.52 (0.42 on April 30, 2015).

The Group's consolidated balance sheet has been affected by changes in exchange rates. The major exchange rates used for translation of the balance sheet are presented on page 11.

The exchange rate effect from the translation of cash and cash equivalents amounted to SEK 31 M (106). The translation difference in long-term interest-bearing liabilities amounted to SEK 56 M (256). Shareholder's equity was affected by exchange rate differences amounting to SEK 89 M (359).

The change in unrealized exchange rate effects from effective cash flow hedges amounted to SEK 62 M (-81) and is reported in other comprehensive income. Closing balance of unrealized exchange rate effects from effective cash flow hedges amounted to SEK -62 M (-19) exclusive of tax.

Outlook

We expect growth in net sales to continue to be modest for the fiscal year, based on constant exchange rates, and that the EBITA margin, adjusted for non-recurring items, will continue to improve.

The outlook is adjusted from the previous: "We expect negative growth in net sales for the first half of 2015/16, while growth is expected to return during the second half of 2015/16."

Significant events during the reporting period

Change of President and CEO

On May 13, 2015, Elekta announced that Niklas Savander had stepped down from his position as President and CEO of Elekta AB (publ). The Board of Directors had appointed Tomas Puusepp as President and CEO as of May 13, 2015. Tomas Puusepp has, during the past year, been an Executive Director of the Elekta Board and served as President and CEO of Elekta during fiscal years 2005/06 to 2013/14.

Changes to the Executive Management team

On June 2, Elekta announced a reorganization of the Company as well as changes in its Executive Management team. The organization was effective as of July 7, 2015.

Transformation program

On June 11, 2015, the transformation program, with the objectives of improving growth, increasing profitability, reduce costs and focus on cash flow, was outlined. The cost reduction of SEK 450 M is on track with savings primarily in administration, supply chain and procurement. At the end of the quarter the workforce has been reduced with 91 employees.

Elekta continue to prioritize strategic R&D investments to improve cancer care, for example software solutions and image guided radiation therapy. Elekta is also improving the customer service network including training and education.

US lawsuit

On September 29, 2015, Elekta announced that Varian Medical Systems filed civil lawsuits and made a request that the United States International Trade Commission (USITC) initiate a patent infringement proceeding against Elekta on September 25, 2015. Elekta stated that the claims had no merit and that the company will defend itself vigorously.

Significant events after the reporting period

Investigation in Italy

As communicated on November 12, 2015, there is an ongoing investigation in Italy where Elekta employees are suspected of interfering with public procurement processes. Elekta is providing all requested information to the Italian authorities. Elekta has zero tolerance for any deviation from the code of conduct and clear corporate policies and procedures in place.

Employees

The average number of employees during the period was 3,702 (3,659). The number of employees on October 31, 2015 totaled 3,753 (3,764) compared to 3,844 on April 30, 2015. The decrease since April 30 is mainly related to the ongoing transformation program.

The average number of employees in the Parent Company was 25 (34).

Shares

During the period no new B-shares were subscribed through conversion of convertibles. Total number of registered shares on October 31, 2015 was 382,828,775 divided between 14,250,000 A-shares and 368,578,775 B-shares. Fully diluted shares amounted to 400,696,012 including dilution related to the Elekta 2012/17 convertible bond.

Risks and uncertainties

Elekta's presence in a large number of geographical markets exposes the Group to political and economic risks on a global scale and/or in individual countries.

The competitive landscape for Elekta is continuously changing. The medical equipment industry is characterized by technological developments and continuous improvements of industrial know-how, resulting in companies launching new products and improved methods for treatment. Elekta strives to be the leader in innovation and offer the most competitive product portfolio, developed in close collaboration with key research leaders in the field. To secure the proceeds of research investments, it is of importance that such new products and new technology are protected from the risk of improper use by competitors. When possible and deemed appropriate, Elekta protects its intellectual property rights by way of patents, copyrights and trademark registrations.

Elekta sells solutions through its direct sales force and through an external network of agents and distributors. The Company's continued success is dependent on the ability to establish and maintain successful relationships with customers. Elekta is continuously evaluating how to enter new markets considering both the opportunities and the risks involved. There are regulatory registration requirements with each new market that potentially could delay product introductions and certifications. The stability of the political system in certain countries and the security situation for employees traveling to exposed areas are constantly evaluated. Corruption is a risk and an obstacle for development and growth in some countries. Elekta has implemented a specific anti-corruption policy to guide the business by aiming to be in line with national and international regulations and best practices against corruption.

Elekta's operations comprise several markets that expose the Group to a vast number of laws, regulations, policies and guidelines regarding, for example, health, security, environmental matters, trade restrictions, competition and delivery of products. Elekta's quality systems describes these requirements, which are reviewed and certified by external supervisory bodies and are regularly inspected by authorities in applicable countries, for example the US FDA. Non-compliance of, for example, safety regulations can result in delayed or stopped deliveries of products. Changes in regulations and rules might also increase Elekta's costs and delay the development and introduction of new products.

Elekta depends also on the capability of producing advanced medical equipment, which requires highly qualified personnel. The Company's ability to attract and retain qualified personnel and management has a significant impact on the future success of the Group.

Weak economic development and high levels of public debt might, in some markets, mean less availability of financing for private customers and reduced future health care spending by governments. Political decisions that could impact the healthcare reimbursement systems also constitute a risk factor. Elekta's ability to commercialize products is dependent on the reimbursement level that hospitals and clinics can obtain for different types of treatments. Alterations in the existing reimbursement systems related to medical products, or implementation of new regulations, might impact future product mix in specific markets.

Elekta's delivery of treatment equipment relies largely on customers' readiness to receive the delivery at site. Depending on contractual payment terms a delay can result in postponed invoicing and also affect timing of revenue recognition. The Group's credit risks are normally limited since customer operations are, to a large extent, financed either directly or indirectly by public funds.

Elekta depends on a number of suppliers for components. There is a risk that delivery difficulties might occur due to circumstances beyond Elekta's control. Critical suppliers are regularly followed up regarding delivery precision and quality of components.

In its operations, Elekta is subject to a number of financial risks primarily related to exchange rate fluctuations. In the short-term, the effect of currency movements is reduced through forward contracts. Hedging is conducted on the basis of expected net sales over a period of up to 24 months. The scope of the hedging is determined by the Company's assessment of currency risks. Risk exposure is regulated through a financial policy established by the Board of Directors. The overall responsibility for handling the Group's financial risks, and developing methods and guidelines for dealing with financial risks, rests with the executive management and the finance function. For more detailed information regarding these risks, please see Note 2 in the annual report 2014/15.

The Board of Directors and CEO declare that the undersigned interim report provides a fair overview of the parent company's and Group's operations, their financial position and performance, and describes material risks and uncertainties facing the parent company and other companies in the Group.

Stockholm, December 4, 2015

Laurent Leksell Chairman of the Board	Annika Espander Jansson Member of the Board	Luciano Cattani Member of the Board
Siaou-Sze Lien Member of the Board	Wolfgang Reim Member of the Board	Birgitta Stymne Göransson Member of the Board
Jan Secher Member of the Board	Tomas Puusepp President and CEO	Johan Malmquist Member of the Board

Report of Review of Interim Financial Information

Introduction

We have reviewed the condensed interim financial information (interim report) of Elekta AB (publ) as of 31 October 2015 and the six-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Report Performed by the Independent Auditor of the Entity.* A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, December 4, 2015

PricewaterhouseCoopers AB

Johan Engstam

Authorized Public Accountant

Auditor in charge

Camilla Samuelsson

Authorized Public Accountant

Accounting principles

This interim report is prepared, with regard to the Group, according to IAS 34 and the Swedish Annual Accounts Act and, with regard to the Parent Company, according to the Swedish Annual Accounts Act and RFR 2. The accounting principles applied correspond to those presented in Note 1 of the Annual Report 2014/15.

Exchange rates

Country	Currency	Average rate			Closing rate				
		Q2 2015/16	Q2 2014/15	Change	Oct 31, 2015	Oct 31, 2014	Apr 30, 2015	Change [1] 12 months	Change [2] 6 months
Euroland	1 EUR	9.363	9.153	2%	9.370	9.240	9.267	1%	1%
Great Britain	1 GBP	12.977	11.469	13%	13.041	11.759	12.769	11%	2%
Japan	1 JPY	0.069	0.066	5%	0.071	0.066	0.070	8%	1%
United States	1 USD	8.427	6.891	22%	8.505	7.357	8.252	16%	3%

1. October 31 2015 vs October 31 2014
2. October 31 2015 vs April 30 2015

Regarding foreign Group companies, order bookings and income statements are translated at average exchange rates for the reporting period while order backlog and balance sheets are translated at closing exchange rates.

CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

SEK M

INCOME STATEMENT	Q2 2015/16	Q2 2014/15	May - Oct 2015/16	May - Oct 2014/15	12 months rolling	12 months 2014/15
Net sales	2,828	2,567	5,067	4,432	11,474	10,839
Cost of products sold	-1,647	-1,496	-3,001	-2,728	-6,806	-6,533
Gross income	1,181	1,071	2,066	1,704	4,668	4,306
Selling expenses	-333	-286	-676	-573	-1,438	-1,335
Administrative expenses	-250	-256	-522	-482	-1,088	-1,048
R&D expenses	-274	-226	-546	-476	-1,022	-952
Exchange rate differences	-2	7	-63	17	-111	-31
Operating result before non-recurring items	322	310	259	190	1,009	940
Transaction and restructuring costs	-18	0	-48	-2	-49	-3
Operating result	304	310	211	188	960	937
Result from participations in associates	1	-1	3	-1	4	0
Interest income	6	9	11	17	19	25
Interest expenses and similar items	-73	-63	-152	-126	-285	-259
Exchange rate differences	4	2	4	3	14	13
Profit before tax	242	257	77	81	712	716
Income taxes	-53	-57	-17	-18	-157	-158
Net income	189	200	60	63	555	558
Net income attributable to:						
Parent Company shareholders	188	198	57	61	548	552
Non-controlling interests	1	2	3	2	7	6
Earnings per share before dilution, SEK	0.49	0.52	0.15	0.16	1.44	1.45
Earnings per share after dilution, SEK	0.49	0.52	0.15	0.16	1.44	1.45

STATEMENT OF COMPREHENSIVE INCOME	Q2 2015/16	Q2 2014/15	May - Oct 2015/16	May - Oct 2014/15	12 months rolling	12 months 2014/15
Net income	189	200	60	63	555	558
Other comprehensive income:						
Items that will not be reclassified to the income statement						
Remeasurements of defined benefit pension plans	—	—	—	—	-6	-6
Tax	—	—	—	—	2	2
Total items that will not be reclassified to the income statement	—	—	—	—	-4	-4
Items that subsequently may be reclassified to the income statement						
Revaluation of cash flow hedges	-46	-71	62	-81	-39	-182
Translation differences from foreign operations	-143	113	89	359	476	746
Tax	9	17	-13	18	8	39
Total items that subsequently may be reclassified to the income statement	-180	59	138	296	445	603
Other comprehensive income for the period	-180	59	138	296	441	599
Comprehensive income for the period	9	259	198	359	996	1,157
Comprehensive income attributable to:						
Parent Company shareholders	7	258	195	357	989	1,151
Non-controlling interests	2	1	3	2	7	6

RESULT OVERVIEW

SEK M	Q2 2015/16	Q2 2014/15	May - Oct 2015/16	May - Oct 2014/15	12 months rolling	12 months 2014/15
Operating result/EBIT before non-recurring items	322	310	259	190	1,009	940
Amortization:						
capitalized development costs	89	55	161	106	291	236
acquisitions	33	32	65	63	132	130
EBITA before non-recurring items	444	397	485	359	1,432	1,306
Depreciation	41	35	83	68	161	146
EBITDA before non-recurring items	485	432	568	427	1,593	1,452

CONSOLIDATED BALANCE SHEET

SEK M	Oct 31, 2015	Oct 31, 2014	Apr 30, 2015
Non-current assets			
Intangible assets	8,375	7,419	8,174
Tangible fixed assets	904	754	881
Financial assets	396	332	371
Deferred tax assets	288	139	224
Total non-current assets	9,963	8,644	9,650
Current assets			
Inventories	1,417	1,314	1,297
Accounts receivable	3,831	3,634	4,207
Accrued income	1,994	2,051	1,895
Current tax assets	104	49	92
Derivative financial instruments	64	116	83
Other current receivables	823	731	695
Cash and cash equivalents	1,586	942	3,265
Total current assets	9,819	8,837	11,534
Total assets	19,782	17,481	21,184
Elekta's owners' equity	6,645	5,843	6,638
Non-controlling interests	5	4	8
Total equity	6,650	5,847	6,646
Non-current liabilities			
Long-term interest-bearing liabilities	5,024	3,708	4,958
Deferred tax liabilities	786	695	732
Other long-term liabilities	269	183	279
Total non-current liabilities	6,079	4,586	5,969
Current liabilities			
Short-term interest-bearing liabilities	17	957	1,075
Accounts payable	1,023	982	1,262
Advances from customers	2,053	1,891	2,165
Prepaid income	1,668	1,313	1,673
Accrued expenses	1,796	1,497	1,789
Current tax liabilities	93	32	119
Derivative financial instruments	120	81	162
Other current liabilities	283	295	324
Total current liabilities	7,053	7,048	8,569
Total equity and liabilities	19,782	17,481	21,184
Assets pledged	10	5	18
Contingent liabilities	53	62	59

CASH FLOW

SEK M	Q2 2015/16	Q2 2014/15	May - Oct 2015/16	May - Oct 2014/15	12 months rolling	12 months 2014/15
Profit before tax	242	257	77	81	712	716
Amortization & Depreciation	163	123	309	238	583	512
Interest net	54	45	117	90	219	192
Other non-cash items	93	63	139	105	445	411
Interest received and paid	-94	-72	-144	-107	-207	-170
Income taxes paid	-50	-61	-98	-209	-251	-362
Operating cash flow	*408*	*355*	*400*	*198*	*1,501*	*1,299*
Increase (-)/decrease (+) in inventories	25	-7	-107	-143	63	27
Increase (-)/decrease (+) in operating receivables	-13	-96	162	455	239	532
Increase (-)/decrease (+) in operating liabilities	-74	184	-458	-552	59	-35
Change in working capital	*-62*	*81*	*-403*	*- 240*	*361*	*524*
Cash flow from operating activities	346	436	-3	-42	1,862	1,823
Investments intangible assets	-161	-164	-319	-308	-690	-679
Investments other assets	-38	-99	-95	-147	-225	-277
Continuous investments	*-199*	*-263*	*-414*	*- 455*	*- 915*	*-956*
Cash flow after continuous investments	147	173	-417	-497	947	867
Business combinations and investments in associate	2	0	-10	-47	-151	-188
Cash flow after investments	149	173	-427	-544	796	679
Cash flow from financing activities	-1,256	-866	-1,283	-867	-230	186
Cash flow for the period	-1,107	-693	-1,710	-1,411	566	865
Exchange rate differences	-55	40	31	106	78	153
Change in cash and cash equivalents for the period	-1,162	-653	-1,679	-1,305	644	1,018

CHANGES IN EQUITY

SEK M	May - Oct 2015/16	May - Oct 2014/15	12 months 2014/15
Attributable to Elekta's owners			
Opening balance	6,638	6,249	6,249
Comprehensive income for the period	198	357	1,151
Dividend	-191	-763	-763
Total	6,645	5,843	6,638
Attributable to non-controlling interests			
Opening balance	8	8	8
Comprehensive income for the period	3	2	6
Dividend	-5	-6	-6
Total	5	4	8
Closing balance	6,650	5,847	6,646

Financial instruments

The table below shows the Group's financial instruments for which fair value is different than carrying value. The fair value of all other financial instruments is assumed to correspond to the carrying value.

	Oct 31, 2015		Oct 31, 2014		Apr 30, 2015	
SEK M	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Long-term interest-bearing liabilities	5,024	5,288	3,708	3,946	4,958	5,252
Short-term interest-bearing liabilities	17	17	957	986	1,075	1,093

The Group's financial assets and financial liabilities, which have been measured at fair value, have been categorized in the fair value hierarchy. The different levels are defined as follows:

- Level 1: Quoted prices on an active market for identical assets or liabilities
- Level 2: Other observable data than quoted prices included in Level 1, either directly (that is, price quotations) or indirectly (that is, obtained from price quotations)
- Level 3: Data not based on observable market data

Financial instruments measured at fair value

SEK M	Level	Oct 31, 2015	Oct 31, 2014	Apr 30, 2015
FINANCIAL ASSETS				
Financial assets measured at fair value through profit or loss:				
Derivative financial instruments – non-hedging	2	40	73	70
Derivatives used for hedging purposes:				
Derivative financial instruments – hedging	2	31	56	15
Total financial assets		71	129	85
FINANCIAL LIABILITIES				
Financial liabilities at fair value through profit or loss:				
Derivative financial instruments – non-hedging	2	40	33	44
Contingent consideration	3	129	28	152
Derivatives used for hedging purposes:				
Derivative financial instruments – hedging	2	93	75	133
Total financial liabilities		262	136	329

KEY FIGURES

	May - Apr 2010/11	May - Apr 2011/12	May - Apr 2012/13	May - Apr 2013/14	May - Apr 2014/15	May - Oct 2014/15	May - Oct 2015/16
Order bookings, SEK M	9,061	10,815	12,117	12,253	11,907	5,217	5,827
Net sales, SEK M	7,904	9,048	10,339	10,694	10,839	4,432	5,067
Operating result, SEK M	1,502	1,849	2,012	1,727	937	188	211
Operating margin before non-recurring items, %	19	20	20	18	9	4	5
Operating margin, %	19	20	19	16	9	4	4
Profit margin, %	19	19	17	14	7	2	2
Shareholders' equity, SEK M	3,833	5,010	5,560	6,257	6,646	5,847	6,650
Capital employed, SEK M	4,714	9,540	10,112	10,743	12,678	10,512	11,691
Equity/assets ratio, %	43	33	34	35	31	33	34
Net debt/equity ratio	-0.13	0.53	0.36	0.36	0.42	0.64	0.52
Return on shareholders' equity, %	30	29	27	21	9	18	9
Return on capital employed, %	35	28	21	17	9	15	8

DATA PER SHARE

	May - Apr 2010/11	May - Apr 2011/12	May - Apr 2012/13	May - Apr 2013/14	May - Apr 2014/15	May - Oct 2014/15	May - Oct 2015/16
Earnings per share							
before dilution, SEK	2.76	3.26	3.52	3.01	1.45	0.16	0.15
after dilution, SEK	2.73	3.23	3.52	3.00	1.45	0.16	0.15
Cash flow per share							
before dilution, SEK	1.31	-7.07	3.17	1.31	1.78	-1.43	-1.12
after dilution, SEK	1.30	-7.01	3.17	1.24	1.78	-1.43	-1.12
Shareholders' equity per share							
before dilution, SEK	10.22	13.19	14.55	16.39	17.41	15.32	17.43
after dilution, SEK	10.61	13.31	14.55	20.32	17.41	15.32	17.43
Average number of shares							
before dilution, 000s	373,364	376,431	380,672	381,277	381,287	381,287	381,287
after dilution, 000s	378,028	380,125	380,672	400,686	381,287	381,287	381,287
Number of shares at closing							
before dilution, 000s	374,951 *)	378,991 *)	381,270 *)	381,287 *)	381,287 *)	381,287 *)	381,287 *)
after dilution, 000s	383,618	384,284	381,270	400,696	381,287	381,287	381,287

In September 2012 a 4:1 share split was conducted. The data per share and number of shares has been restated pro forma.
*) Number of registered shares at closing excluding treasury shares (1,541,368 per October, 2015).

Data per quarter

SEK M	Q1 2013/14	Q2 2013/14	Q3 2013/14	Q4 2013/14	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15	Q1 2015/16	Q2 2015/16
Order bookings	2,027	3,101	3,224	3,901	2,341	2,876	2,834	3,856	2,536	3,291
Net sales	1,912	2,443	2,385	3,954	1,865	2,567	2,552	3,855	2,239	2,828
EBITA before non-recurring items	148	407	340	1,288	-38	397	345	601	41	444
Operating result	46	304	260	1,117	-122	310	250	499	-93	304
Cash flow from operating activities	-391	282	153	1,231	-478	436	200	1,665	-349	346

Order bookings growth based on unchanged exchange rates

	Q1 2013/14	Q2 2013/14	Q3 2013/14	Q4 2013/14	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15	Q1 2015/16	Q2 2015/16
North & South America, %	-26	8	40	-4	11	-2	-53	-31	13	-18
Europe, Middle East & Africa, %	18	32	15	13	31	-33	14	-27	-30	41
Asia Pacific, %	8	-7	-9	-23	-5	2	-23	23	12	-6
Group, %	-2	10	15	-3	12	-13	-22	-18	-5	3

Segment reporting

Elekta applies geographical segmentation. Order bookings, net sales and contribution margin for respective region are reported to Elekta's CFO and CEO (chief operating decision makers). In the regions' operating expenses cost of products sold and expenses are directly attributable to the respective region reported. Global costs for R&D, marketing, management of product supply centers and Parent Company are not allocated per region. Currency exposure is concentrated to product supply centers. The majority of exchange differences in operations are reported in global costs.

Segment reporting

May - Oct 2015/16

SEK M	North and South America	Europe, Middle East and Africa	Asia Pacific	Group total	% of net sales
Net sales	1,946	1,616	1,505	5,067	
Operating expenses	-1,358	-1,192	-1,139	-3,689	73%
Contribution margin	588	424	366	1,378	27%
Contribution margin, %	30%	26%	24%		
Global costs				-1,119	22%
Operating result before non-recurring items				259	5%
Non-recurring items				-48	
Operating result				211	4%
Net financial items				-134	
Income before tax				77	

May - Oct 2014/15

SEK M	North and South America	Europe, Middle East and Africa	Asia Pacific	Group total	% of net sales
Net sales	1,482	1,545	1,405	4,432	
Operating expenses	-1,108	-1,091	-1,098	-3,297	74%
Contribution margin	374	454	307	1,135	26%
Contribution margin, %	25%	29%	22%		
Global costs				-945	21%
Operating result before non-recurring items				190	4%
Non-recurring items				-2	
Operating result				188	4%
Net financial items				-107	
Income before tax				81	

May - Apr 2014/15

SEK M	North and South America	Europe, Middle East and Africa	Asia Pacific	Group total	% of net sales
Net sales	3,651	3,829	3,359	10,839	
Operating expenses	-2,573	-2,790	-2,579	-7,942	73%
Contribution margin	1,078	1,039	779	2,897	27%
Contribution margin, %	30%	27%	23%		
Global costs				-1,957	18%
Operating result before non-recurring items				940	9%
Non-recurring items				-3	
Operating result				937	9%
Net financial items				-221	
Income before tax				716	

12 months rolling

SEK M	North and South America	Middle East and Africa	Asia Pacific	Group total	% of net sales
Net sales	4,115	3,900	3,459	11,474	
Operating expenses	-2,823	-2,891	-2,620	-8,334	73%
Contribution margin	1,292	1,009	839	3,140	27%
Contribution margin, %	31%	26%	24%		
Global costs				-2,131	19%
Operating result before non-recurring items				1,009	9%
Non-recurring items				-49	
Operating result				960	8%
Net financial items				-248	
Income before tax				712	

Elekta's operations are characterized by significant quarterly variations in delivery volumes and product mix, which have a direct impact on net sales and profits. This is accentuated when the operation is split into segments as is the impact of currency fluctuations between the years.

PARENT COMPANY

INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

SEK M	May - Oct 2015/16	May - Oct 2014/15
Operating expenses	-90	-63
Financial net	101	-37
Income after financial items	11	-100
Tax	24	16
Net income	35	-84
Statement of comprehensive income		
Net income	35	-84
Other comprehensive income	—	5
Total comprehensive income	35	-79

BALANCE SHEET

SEK M	Oct 31, 2015	Apr 30, 2015
Non-current assets		
Shares in subsidiaries	2,143	2,142
Receivables from subsidaries	2,664	2,663
Other financial assets	95	96
Deferred tax assets	35	11
Total non-current assets	4,938	4,912
Current assets		
Receivables from subsidaries	4,139	3,804
Other current receivables	49	46
Cash and cash equivalents	994	2,630
Total current assets	5,182	6,480
Total assets	10,119	11,392
Shareholders' equity	2,162	2,319
Untaxed reserves	42	43
Non-current liabilities		
Long-term interest-bearing liabilities	5,024	4,958
Long-term liabilities to Group companies	39	39
Long-term provisions	95	97
Total non-current liabilities	5,158	5,093
Current liabilities		
Short-term interest-bearing liabilities	0	1,031
Short-term liabilities to Group companies	2,606	2,700
Other current liabilities	150	206
Total current liabilities	2,756	3,937
Total shareholders' equity and liabilities	10,119	11,392
Assets pledged	—	—
Contingent liabilities	1,105	1,213

Shareholder information

Conference call

Elekta will host a telephone conference at 10:00-11:00 CET on December 4, with President and CEO Tomas Puusepp and CFO Håkan Bergström.

To take part in the conference call, please dial in about five minutes in advance.

Swedish dial-in number: +46 (0)8 566 426 64
UK dial-in number: +44 (0) 203 428 14 09
US dial-in number: + 1 855 753 22 36

The telephone conference will also be broadcasted over the internet (listen only). Please use the link:

http://event.onlineseminarsolutions.com/r.htm?e=1096935&s=1&k=195FCFCFA7C622F68F04F81204962886

For further information, please contact:

Håkan Bergström
CFO, Elekta AB (publ)
+46 8 587 25 547,
hakan.bergstrom@elekta.com

Johan Andersson
Director Investor Relations, Elekta AB (publ)
+46 8 587 25 415
johan.andersson@elekta.com

Financial calendar

Interim report May – January 2015/16	March 2, 2016
Year-end report May – April 2015/16	June 2, 2016